

Sony play station three case study sample

[Business](#), [Marketing](#)



What if anything, Sony should do to turn around the sales of PS3?

Sony should carry out extensive research about its market and the nature of products that consumers want. Research is the process of collection and analysis of data through a systematic method. In order for a research, to be effective it has to be based on an objective or several objectives. The two main types of research are qualitative and quantitative. Qualitative research entails the collection of data that are of non - numerical form. On the other hand, quantitative research involves the collection of data that are of numerical form. There are several ways through which a research can collect data (Burrow, 2012). These methods include the following: use of a questionnaire, interviews, direct observation, and reporting among others. The main purpose of a research is to gather data that will be for analyzing and converting into information. This information is the used for the purposes of decision making at various levels and departments of the organization such as marketing, finance, procurement and operations among others. The management of the company needs to allocate some funds for the purpose of research because of the factors that are part of discussion in the succeeding paragraphs.

In order for the market research to be effective, Sony needs to identify suitable target participants. The participants should be comprised of the manufacturing personnel, the users of the game, the retailers of the game, and the developers of games for the play station three. During the research, the marketing team should seek to establish the appropriate price level from consumers' point of view (Gurău & Ranchhod, 2007). The researchers should

also establish whether consumers are willing to pay more in order to have vibration technology. Consumers should also state some of the weakness of the Sony play station three as well as possible ways of improving it. In addition to that, researchers should enquire from consumers whether or not Sony play station three met their expectations. If not, they should establish ways through which the play station fell short of their expectations.

Upon conducting the market research, Sony should embark on highlighting the key components that the play station three has based on the results of the research. For instance, if most consumers have an issue with the price point of Sony, the manufacturer should be willing to reduce his profit margin in order to increase the sales of the device. Sony should change their strategy from high profit margin per unit and instead embark on realising high profit margins as a result of selling volumes (Healey, 2008). When the organisation sells the device, Sony can increase its profits through the introduction of add-ons that enhance the features of the device. For instance, they can introduce high definition three dimensional glasses that have an ear piece in order to make the gaming experience as real as possible.

What has been Sony's strategy approach with regard to new product development?

The strategy approach by Sony with regard to new product development has over the years been manufacturer driven. As a result of this, Sony Company has been able to launch exceedingly many unsuccessful products into the market. In some instances, the company is unable to enjoy the first mover's advantage (Kotler & Armstrong, 2011). Whenever an organisation is the first

to move into a market, it is normally able to achieve technological advantage. This is attained because; the organisation has ample time to carry out research and development programs. These research and development programs usually enable the organisation to develop high quality products that are best for that market. As a result of these, most customers in this market tend to appreciate the products that such an organisation develops. An example of such a company is Procter and Gamble that produces disposable diapers.

Sony was the first company to launch a portable music device. It was conventional wisdom that it should be able to take up the largest market share for portable music devices. However, this was not the case. Sony launched its portable music device which only played music that was on MP3 format only. Most of the staff were of the opinion that Sony should make the device to be able to play other formats of music but the management decline. The works kept on insisting until they became frustrated. A few years later Apple Inc introduced a portable music device known as the iPod. The device supposed more than one format of music, and it was exceedingly portable. In addition to that, Apple Inc developed an easy and reliable way of acquiring music through legitimate means. This platform is goes by the name iTunes. IPod users are able to buy music and upload it to their music devices through this platform. ITunes took account of both the needs of the creators of music as well as consumers of music. As a result of this, it became an instant hit (Pride, 2012). Within a period of approximately six years after its inception, Apple had sold over one million iPods. On the other hand, Sony was busy struggling to sell its MP3 plays, and it only managed to

hit one million mark in sales after ten years since the introduction of Sony Mp3 devices.

Sony should change its development strategy to be more consumer driven and not manufacturer driven. That way they will be able to develop products that customers need. Upon the development of such products, they will not find it necessary to market their products as people will find it necessary to own their products (Moriarty & Franzen, 2009). This strategy will enable Sony significantly increase its profitability and its market share in the home electronics market.

What are the key success factors in the video gaming industry? Are these the same as the past?

One of the key success factors of the video gaming industry is that the producer of a gaming device has to ensure that their products embrace the latest technology. Products such as Xbox 360 and Sony Play Station are examples of gaming devices that embrace the latest technologies (Healey, 2008). The two devices provide the gamers with some of the best gaming experiences, and this is largely attributable to the use of modern technologies.

Secondly in order to be successful in the video gaming industry, one should ensure that during the production of a new device the manufacturer should take into account the development of games (Healey, 2008). The manufacturer should ensure that they have in place a wide selection of games from which their customers can be able to choose the games they want. A wide collection of games ensures that all the needs of consumers are

well taken care off thus making the gaming device become more attractive to consumers.

What was Sony's marketing program for the launch of PS3?

Sony's marketing plan entailed targeting the year well schooled gamer. They were targeting persons between the ages of eighteen and thirty five. They were targeting individuals that were exceedingly well conversant with technology. Their objective was to market the Sony play station three as one of the most technologically advanced gaming device in the market. Their marketers claimed that the features of the device were like no other game thus insisting that it was in a class of its own (Burrow, 2012). The marketing program did not work quite well for them, and this is because consumers felt that the product is overrated yet it was not as expected. Consumers further claimed that the device was not exceedingly different from Xbox 360 in terms of features. The other point of disagreement between consumers and the manufacturer was the price point of the Sony play station three. Most of the potential customers were of the opinion that the play station was exceedingly expensive compared to the Xbox 360, whereas they have similar features. As a result of this, most of the consumers preferred buying the Xbox 360.

What is the competitive advantage of the play station three? What are the weaknesses of the play station three?

The main competitive advantage of the Sony play station three is that it has a blue ray play. This ensures that it has superior graphics compared to most of the other gaming devices. The blue ray also enhances the quality of sound during an individual's gaming experience (Moriarty & Franzen, 2009). It is

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wifi enabled, and it can operate on Linux operating system. Given the two an individual can be able to use the play station as a personal computer. It has an installed browser which facilitates surfing in the internet. Another key feature is that it has universal serial bus ports. The device has also been noted to be having a lower rate of failure.

There are two main disadvantages of the Sony play station three. The first one is that it is exceedingly expensive. Most consumers are of the opinion that the play station is exceedingly expensive compared to other gaming devices (Gurău & Ranchhod, 2007). The other disadvantage of the play station is that some models are not able to play gamers that were produced for the play stations one and two. There are also few games for the play station three compared to those of the other play station. Manufacturers of the Xbox 360 also keep on producing more games to play only on the Xbox.

Compare the marketing program of Nintendo wii to the play station three. How are they different?

The marketing program for Nintendo wii is entirely different from that of the Sony play station three. The Nintendo Wii is said to be a gaming device for everyone whereas the Play Station three is positioned as a gaming device that targets the mature population (Burrow, 2012). The Nintendo Wii has a sixty four bit system thus it provides the users with superior graphics compared to the play station three. Unlike the play station, Nintendo Wii is positioned to put together, their games are user friendly, and they are also easier to comprehend. Nintendo Wii is said to have a better gaming experience, and this is largely because it has controls that have motion sensors.

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